



## Financing/Incentives

### *Value-Added Agriculture Subfund*

#### **Purpose**

In 1999, a \$3 million fund was created specifically to assist in funding feasibility and marketing studies for prospective value-added ag business. This Subfund of the REDI Fund is just one step toward improving value-added ag in South Dakota.

By partnering with the Department of Agriculture, local communities, commodity organizations and others, the Governor's Office of Economic Development will work with you to take your project from conception to completion. Our goal is threefold:

- To find niche markets that will add value to South Dakota ag commodities
- To help fund marketing and feasibility studies, and
- To help assemble the right people, capital and labor to ensure a successful project.

#### **How it Works**

1. Assemble background information on the proposed ag project and contact GOED.
2. Complete the program application and submit it to GOED.
3. GOED staff will review the application, determine eligibility and contact the applicant. Eligible applications will be presented to the SD Board of Economic Development for consideration.
4. If approved, proceed with the feasibility or marketing study.

#### **Who's Eligible & Terms**

- Any for-profit business, nonprofit cooperative or group that forms an eligible legal entity may apply for a loan from the Subfund.
- Loans cannot exceed more than 50 percent of the total eligible project costs for marketing or feasibility study expenses.
- Applicant must provide equity contribution of at least 10 percent of the total project cost for marketing and/or feasibility study expenses.
- Applications can be submitted at any time.
- The staff of the GOED will screen all applications for completeness and eligibility requirements within 30 days of receiving it.
- Loan proceeds may be used for salaries, consultant contracts, supplies and necessary services for feasibility or marketing studies.
- The maturity of a VASF loan may not be more than five years with

### Doing Business in SD

### Available Properties

### Financing/Incentives

- [\\$ REDI Loans](#)
- [\\$ SBA 504](#)
- [\\$ APEX Loans](#)
- [\\$ MicroLoan SD](#)
- [\\$ Bond Financing](#)
- [\\$ Value-Added Ag Subfund](#)
- [\\$ Tourism Enhancement Program](#)
- [\\$ Training Assistance](#)

### Demographics/Statistics

### Cities/Counties

### Manufacturers Directory

### Press Room

### 50 State Comparison

### Relocation Information

### Publications

regular payments amortized over not more than 20 years.

## Application

### Option 1:

You may view and print the application as a PDF file using [Adobe Reader](#).

Please note that while you may type your information onto this application and then print it, once you leave the site the information will not be saved.

If you do not currently have Adobe Reader, click on the Get Adobe Reader button below to download the program for free.

[GOED Value Added Ag Subfund Application](#) 

### Option 2:

You may open the application as a Microsoft Word file and save it to your computer. The file can then be filled out and printed. \*If you do not have Microsoft Word, you will not be able to open this application.

[GOED Value Added Ag Subfund Application](#) (Word)

## Guidelines for Feasibility Studies and Business Plans

[South Dakota Guidelines for Feasibility Studies And Business Plans For](#)

[Value-Added Agriculture Projects](#) 

[Subfund Success Stories](#) 

For more information about the VASF program, contact [Kelly Rasmussen](#), Ag Development Specialist at 605-773-3301 or 800-872-6190



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